

OMB NO. 1124-0006; Expires February 28, 2014

U.S. Department of Justice

Washington, DC 20530

Exhibit A to Registration Statement**Pursuant to the Foreign Agents Registration Act of 1938, as amended**

INSTRUCTIONS. Furnish this exhibit for EACH foreign principal listed in an initial statement and for EACH additional foreign principal acquired subsequently. The filing of this document requires the payment of a filing fee as set forth in Rule (d)(1), 28 C.F.R. § 5.5(d)(1). Compliance is accomplished by filing an electronic Exhibit A form at <http://www.fara.gov>.

Privacy Act Statement. The filing of this document is required by the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.*, for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide this information is subject to the penalty and enforcement provisions established in Section 8 of the Act. Every registration statement, short form, registration statement, supplemental statement, exhibit, amendment, copy of informational materials or other document or information filed with the Attorney General under this Act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, DC. Statements are also available online at the Registration Unit's webpage: <http://www.fara.gov>. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public in print and online at: <http://www.fara.gov>.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Counterespionage Section, National Security Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name and Address of Registrant Rasky Baerlein Strategic Communications, Inc. 70 Franklin Street, 3rd Floor Boston, MA 02110	2. Registration No. 6100
---	-----------------------------

3. Name of Foreign Principal Hungary Ministry of Public Administration and Justice	4. Principal Address of Foreign Principal 1055 Budapest, Kossuth Lajos tér 2-4, Hungary
---	--

5. Indicate whether your foreign principal is one of the following:

- ☒ Foreign government
- ☐ Foreign political party
- ☐ Foreign or domestic organization: If either, check one of the following:
- | | |
|--------------------------------------|--|
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Committee |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Voluntary group |
| <input type="checkbox"/> Association | <input type="checkbox"/> Other (specify) _____ |
- ☐ Individual-State nationality _____

6. If the foreign principal is a foreign government, state:

a) Branch or agency represented by the registrant

Ministry of Public Administration and Justice

b) Name and title of official with whom registrant deals

Zoltan Kovac, State Secretary at the Ministry of Public Administration and Justice

7. If the foreign principal is a foreign political party, state:

a) Principal address

b) Name and title of official with whom registrant deals

c) Principal aim

Formerly CRM-157

FORM NSD-3
Revised 03/11

8. If the foreign principal is not a foreign government or a foreign political party:

a) State the nature of the business or activity of this foreign principal.

b) Is this foreign principal:

Supervised by a foreign government, foreign political party, or other foreign principal

Yes ☐ No ☐

Owned by a foreign government, foreign political party, or other foreign principal

Yes ☐ No ☐

Directed by a foreign government, foreign political party, or other foreign principal

Yes ☐ No ☐

Controlled by a foreign government, foreign political party, or other foreign principal

Yes ☐ No ☐

Financed by a foreign government, foreign political party, or other foreign principal

Yes ☐ No ☐

Subsidized in part by a foreign government, foreign political party, or other foreign principal

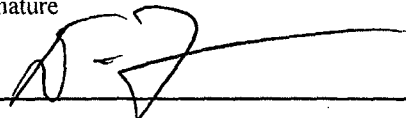
Yes ☐ No ☐

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page must be used.)

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

EXECUTION

In accordance with 28 U.S.C. § 1746, the undersigned swears or affirms under penalty of perjury that he/she has read the information set forth in this Exhibit A to the registration statement and that he/she is familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her knowledge and belief.

Date of Exhibit A	Name and Title	Signature
5/4/12	David Tamas, Senior Vice President	

OMB NO. 1124-0004; Expires February 28, 2014

U.S. Department of Justice

Washington, DC 20530

Exhibit B to Registration Statement
Pursuant to the Foreign Agents Registration Act of
1938, as amended

INSTRUCTIONS. A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements, or, where no contract exists, a full statement of all the circumstances by reason of which the registrant is acting as an agent of a foreign principal. Compliance is accomplished by filing an electronic Exhibit B form at <http://www.fara.gov>.

Privacy Act Statement. The filing of this document is required for the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.*, for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide the information is subject to the penalty and enforcement provisions established in Section 8 of the Act. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials or other document or information filed with the Attorney General under this Act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, DC. Statements are also available online at the Registration Unit's webpage: <http://www.fara.gov>. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public in print and online at: <http://www.fara.gov>.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Counterespionage Section, National Security Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name of Registrant

Rasky Baerlein Strategic Communications, Inc.

2. Registration No.

6100

3. Name of Foreign Principal

Hungary Ministry of Public Administration and Justice

Check Appropriate Box:

4. ☒ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach a copy of the contract to this exhibit.
5. ☐ There is no formal written contract between the registrant and the foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach a copy of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
6. ☐ The agreement or understanding between the registrant and the foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and expenses, if any, to be received.
7. Describe fully the nature and method of performance of the above indicated agreement or understanding.

Registrant will conduct research and analysis for the Principal, counsel the Principal on key issues in the bilateral relationship and conduct outreach on behalf of the Principal to the US Congress, Executive branch, media and other U.S. institutions.

8. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

Registrant will provide strategic advice to the Principal on U.S.-Hungary relations. Registrant will also assist in communicating priority issues in the bilateral relationship to the Executive and Legislative branches of government as well as other U.S. institutions, the media and foreign policy community.

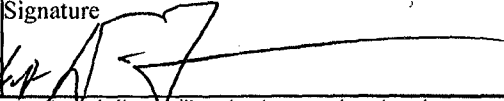
9. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act and in the footnote below? Yes ☒ No ☐

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

The Registrant will undertake the activities listed above on behalf of the Principal and will communicate relevant information to interested parties. Registrant will also, at the request of the Principal, arrange meetings with Members of Congress and their staff and officials in the Executive branch.

EXECUTION

In accordance with 28 U.S.C. § 1746, the undersigned swears or affirms under penalty of perjury that he/she has read the information set forth in this Exhibit B to the registration statement and that he/she is familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her knowledge and belief.

Date of Exhibit B	Name and Title	Signature
5/4/12	David Tamesi, Senior Vice President	

Footnote: Political activity as defined in Section 1(o) of the Act means any activity which the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

MINISTRY OF PUBLIC ADMINISTRATION AND JUSTICE

IX-BSZ/183/5/2012.

RESEARCH AGREEMENT

which was concluded, on the one hand, by the **Ministry of Public Administration and Justice** (head office: 1055 Budapest, Kossuth Lajos tér 2-4., represented by Dr. Zoltán Kovács, Minister of State for Government Communication, tax number: 15300076-2-41) as principal (hereinafter referred to as the "Principal"),

and, on the other hand, by **Rasky Baerlein Strategic Communications** as contractor (hereinafter referred to as "Contractor"),

head office: [REDACTED] 2nd Floor, Boston, MA 02110, USA

tax number: [REDACTED] 3047697

represented by: [REDACTED]

—hereinafter collectively referred to as the Parties —, at the place and on the date written below, under the following terms and conditions.

I. Preamble

1. The primary purpose of the present research agreement is to enable the Principal State Secretariat for Government Communication, with the cooperation of the Contractor, to initiate appropriate professional work and to obtain contact and network resources in the interest of the effective international representation of the latest political and sector-specific priorities, the management of the Government's reputation, the communication of information to its international audiences and the effective implementation of value-oriented country image building. It is further the intention of the Principal to explore and to identify the problematic areas of Hungary's international public perception and positioning and to designate the main directions, means and methods by virtue of which the country image narrative may be channelled in a positive direction.
2. The service under the present agreement qualifies as research and development as defined in Section 4(1), paragraph d) of Act CXXXIV of 2004 *on Research and Development and Technological Innovation*: The Contractor will carry out an analysis for the assessment of the international phenomena with an impact on the country narrative, and will then conduct targeted knowledge gathering and information evaluation (basic research) on the basis of strategic planning and target group sampling, in the interest of the acquisition of new knowledge and information related to the background of such phenomena or facts observed. Following this, the Contractor will engage in a pre-planned process of research, investigation and perception analysis, based on the detailed research methodology identified in the agreement, for the purpose of acquiring new knowledge by using the information obtained in the phase of basic research (applied research). Based on its basic research and applied research, the Contractor will summarise its research results and will prepare a study which will constitute the gathering, summarisation, sharing and utilisation of the relevant information and expertise for the creation of new networking resources in the interest of the effective overseas representation of Hungary's latest political and sector-specific priorities (experimental development).
3. The result of the research obtained on the basis of the present research agreement may be used not only by the Principal but also by the Government, the Prime Minister's Office, the Ministry of Foreign Affairs and the Ministry for National Economy, with the Principal's consent.
4. The consideration related to the service under the present research agreement shall be supplied in its entirety by the Principal.

5. With regard to the provisions set forth in Clauses 2 to 4 of the present research agreement, based on Section 9(5), paragraph f) of Act CVIII of 2011 on Public Procurements, no obligation of public procurement lies with the Principal in respect of the service used on the basis of the present agreement.

II. Subject and term of research agreement

6. The Principal hereby orders and the Contractor hereby agrees to perform the research work aimed at the exploration of opportunities for the uniform and positive public perception and presentation of Hungary in the United States of America on the basis of the Research Plan (hereinafter referred to as the "Research Plan") contained in Appendix No. 1 which constitutes an inseparable part of the present research agreement.
7. The Contractor hereby accepts that it is required to perform the tasks set forth in the present research agreement in accordance with the Research Plan. The Research Plan contains a detailed description of the tasks to be performed, the schedule of completion, the purpose and methods of the research and the results expected by the Principal.
8. The Contractor is required to perform the research work under the present research agreement during the period between 15 March 2012 and 31 December 2012.

III. Completion

9. It is the Contractor's duty to fully complete the tasks identified in the Research Plan, in the manner set forth in the Research Plan, and to attain the result recorded in the Research Plan.
10. It is the Contractor's duty to prepare a study (hereinafter referred to as "Summary Study") summarising the conclusions, part results and final results of its research in a way that is also fit for subsequent utilisation by the third parties referred to in Clause 3 of the present research agreement. The Summary Study is designed to facilitate the formulation and development of a uniform country image in connection with Hungary's public perception abroad. The best-practice results defined on the basis of the identification and systematisation of the factors with an impact on Hungary's narrative abroad, the modelling of the forming of international public opinion and a comparative analysis of its possible methods may be used by the Principal, the Government, the Prime Minister's Office, the Ministry of Foreign Affairs and the Ministry for National Economy within the scope of their own internal activities.
11. The Contractor shall prepare the Summary Study referred to above and Interim Studies (part studies) (hereinafter collectively referred to as "deliverable documents") in accordance with the Research Plan and shall place them at the Principal's disposal.
12. The Principal shall issue a declaration with respect to the acceptance of the documents delivered within 15 calendar days of the receipt thereof. The Principal shall be entitled to return the documents delivered for correction. If the Principal returns the documents delivered for correction, it shall set an appropriate deadline for such correction in the written notice served to that effect. The acceptance of any correction or the repeated returning of documents for correction shall be governed by the provisions of the present Clause. If the Contractor refuses to make corrections without good reason or fails to make the required corrections by the deadline set, the User may abandon the research agreement. If the Principal fails to issue a declaration of acceptance within the above time limit, the document delivered shall be regarded as accepted.
13. Formal requirement of fulfilment of Contractor's duties: delivery to the Principal of the documents specified in the Research Plan in two printed copies and on electronic media (CD).

IV. Parties' rights and obligations

14. The Contractor shall be responsible for the adequacy, professionalism and comprehensive nature of its services. By signing the present research agreement, the Contractor hereby assumes the obligation to proceed with the greatest possible accuracy and speed in the course of the fulfilment of its duties.
15. The Contractor shall fulfil its duties to the best of its professional abilities, and in accordance with the best professional practice, with a view to the Principal's interests, with due care, in compliance with the relevant legal rules.
16. The Contractor shall be responsible for all deficiencies and losses which may arise from the fulfilment of its duties in a negligent, unsatisfactory or professionally unfounded manner.
17. By signing the present agreement, the Contractor hereby expressly declares that it has the necessary professional, technical and human resources for the fulfilment of the research agreement and shall make them available throughout the term of the present agreement.
18. The Contractor shall fulfil its duties with its own equipment and implements.
19. The Contractor shall provide for due professional supervision, the appropriate management of its professional work and the establishment and operation of a work organisation designed to coordinate its professional work.
20. The Contractor may use the services of subcontractors for the fulfilment of its research tasks. The Contractor shall be responsible for the services of any subcontractors as for its own services.
21. The Principal shall supply all information and data to the Contractor which may be necessary for the provision of the services under the present agreement. In this context, the Contractor shall only be entitled to draw on any access facilities for the provision of the services under the present agreement and shall comply with the Principal's security regulations. It is the Principal's duty to provide information on any such regulations.
22. The Contractor may only use any information or data disclosed to it and any documents containing such information or data for the fulfilment of its duties under the present research agreement, may not disclose the same to third parties and shall return such information and data to the Principal without delay following the fulfilment of the research agreement and shall abstain from the subsequent use thereof.
23. The Principal hereby agrees to supply any information or data at its disposal to the Contractor within the shortest possible time, subject to the nature thereof, should the Contractor need any further information or data in the course of the fulfilment of the present agreement for its research activities and the attainment of the research objective.
24. Should the Contractor require access to the buildings used by the Principal in the interest of the fulfilment of its contractual obligations, by signing the present agreement, the Contractor hereby accepts the relevant security and other regulations which may relate to entry into and exit from the buildings used by the Principal as well as to its presence on the premises.
25. The Contractor shall attempt to ensure that the research of the topics specified in the Research Plan yield specific, applicable results serving the purposes set forth in the Research Plan during the term of the present research agreement which the Principal and the third parties identified in Clause 3 may be able to use on their merits. The Parties hereby agree that the fee shall also be payable in the event of the unsuccessful completion of the research work.
26. The Principal may reduce the fee or may refuse to pay the fee if it is able to prove that the expected result fell through partially or in its entirety for reasons falling within the Contractor's control.

27. The Principal shall be entitled to monitor the Contractor's activities; however, such monitoring may not hinder the Contractor's contractual performance.

V. Rights representing pecuniary value

28. The Contractor hereby declares that it has sole and exclusive rights of use, for unlimited utilisation, without any territorial restriction, valid for the entire term of copyright protection, in respect of the documents generated in the course of its research activities under the present research agreement and deliverable to the Principal as intellectual products coming under copyright protection which it may transfer to third parties, and shall transfer these rights to the Principal as set forth in the present research agreement.
29. Based on the research agreement, the Principal shall acquire the right to use the deliverable documents without any territorial restriction, for the entire term of copyright protection, in all known methods of use and utilisation, exclusively and without restriction, in particular, to multiply the deliverable documents in an optional number of copies and on an optional number of occasions, to revise them, to disclose them to the public, to record them in the form of image or sound recordings, to disseminate them, to copy them by computer or onto electronic data storage media, to deliver them to third parties for utilisation and to disclose the works to the public by any known method. The Principal may effect any changes to the deliverable documents that do not violate the author's rights to the integrity of the works. The Principal's rights shall extend to the transfer of its rights of use to third parties and to the authorisation of the further use or utilisation of the works by third parties.
30. The Contractor may only use the documents supplied by the Principal for its own internal activities, and may not disclose them to the public or to third parties.
31. The Contractor may only use or disclose to third parties any other works, documents or data coming under copyright protection generated by the Contractor in the course of or in connection with the fulfilment of its duties under the present research agreement with the Principal's approval.
32. The Contractor hereby warrants the enforceability of the author's rights and obligations in respect of the deliverable documents and the fact that no third parties have rights of any kind in respect of the works, and that no third parties be entitled to rights of any kind vis-à-vis the Principal and that no claim for excess fees be enforced against the Principal on any grounds in connection with such rights.

VI. Fees

33. The Contractor shall be entitled to a fee for the contractual fulfilment of its duties determined in the present research agreement. This sum shall be payable in the event of the full and comprehensive fulfilment of the tasks set forth in the Research Plan.
34. Based on the present research agreement, the Contractor shall be entitled to a fee of the amount of **USD 450,000, say four hundred and fifty thousand US dollars**, for the contractual fulfilment hereof and the transfer of the utilisation rights under the present agreement.
35. The Contractor shall be entitled to the above fee subsequently, following due completion (part completion), in accordance with the schedule laid down in the Research Plan.
36. The above fee has been determined with regard to the costs and other fees that may emerge in connection with the performance of the tasks set forth in the research agreement and the Research Plan, and the Contractor may therefore not demand any cost allowance or fees on other grounds over and above the sum determined herein.
37. The Contractor shall issue invoices in compliance with the legal rules of its own Member State.

38. The Contractor shall issue an invoice in respect of the
- services rendered during the period determined in paragraph 1 by 15 May 2012;
 - services rendered during the period determined in paragraph 2 by 15 July 2012;
 - services rendered during the period determined in paragraph 3 by 15 October 2012;
 - services rendered during the period determined in paragraph 4 by 15 January 2013,
- in connection with the part of the Research Plan concerning the Contractor's fees.
39. The tax due on the consideration payable for the services shall be paid by the Principal at the rate as in force in its own Member State, in accordance with Section 37(1) and Section 140 of Act CXXVII of 2007 on Value Added Tax, on the grounds of importation of services.
40. The Principal's representative shall issue a certificate of completion of due and contractual completion on the Contractor's part. The Parties hereby exclude any advance payment. The Principal shall pay the Contractor the fee or fee instalment due on the basis of the present agreement following the verification of completion by the Principal, based on invoices issued in compliance with the rules of accounting and as set forth in the relevant certificate of completion, by bank transfer, within 30 days.

VII. Breach of contract, ancillary obligations securing the agreement

41. The Contractor's performance shall be deemed defective if it fails to fulfil any of the individual tasks determined in the research agreement and in the appendix thereto, the totality of the tasks or the entire research agreement, or fulfils the tasks incompletely or to inadequate professional standards or otherwise violates the terms and conditions set forth in the research agreement or in the appendix thereto. Adequate professional standards shall be construed as the fulfilment of the technical and professional requirements prescribed in the research agreement and/or the fulfilment of the general requirements that correspond to the applicable international professional standards.
42. The Contractor shall observe the deadlines determined for completion in the research agreement or by the Principal. In the event of late completion on the Contractor's part, if the delay occurs for reasons within the Contractor's control, the Principal shall be entitled to a default penalty, over and above any other claim for damages arising from the breach of contract. The Principal shall also be entitled to a default penalty if the Contractor renders defective performance by the prescribed final deadline, until the rectification of such defective performance.
43. The amount of the default penalty shall correspond to 1% of the gross fee payable for the task affected by the delay (penalty base) per day but maximum 15% of the penalty base.
44. The Principal shall be entitled to retain any due penalty from the Contractor's fee.
45. If the research agreement falls through for reasons within the Principal's control, the Contractor may enforce a claim for the reimbursement of its own verifiable costs. In this case, the Contractor may only demand compensation against its losses which are directly related to the frustration of the agreement and are not otherwise recoverable.
46. If the research agreement falls through for reasons within the Contractor's control, the Contractor shall pay the Principal a frustration penalty. The base of the frustration penalty is the total gross fee determined in the research agreement, and is payable at the rate of 20% of the penalty base.
47. The enforcement by the Principal of a claim for a penalty shall not result in the forfeiture of the Principal's other claims. The Principal may also enforce claims in excess of the penalty against the Contractor.
48. The Principal shall serve its claim for a penalty on the Contractor in writing, by stating the legal grounds for and amount of the penalty claimed. The Principal shall be entitled to offset the amount of the penalty against any fee due to the Contractor.

VIII. Cooperation of contracting parties, communication

49. The Parties hereby assume the obligation to cooperate in the interest of the fulfilment of the research agreement, as part of which the Parties shall without delay notify one another of all material circumstances with an impact on the performance of the research agreement.
50. All notices served in the course of the performance of the research agreement shall also be confirmed in writing and shall be sent to the address of the relevant party. The Parties hereby agree to accept notices on issues not concerning the essence of the research agreement in the form of fax and e-mail messages. In the event of the emergence of any obstacle that may frustrate contractual performance detected by either party as well as in the event of the initiation of any contract amendment, the relevant notice shall also be confirmed in a signed letter. The amendment or termination of the research agreement may not be validly served in the form of an e-mail or fax message.
51. The Contractor shall without delay notify the Principal if the fulfilment of its duties undertaken as part of the present research agreement is impeded, falls through or is delayed, as well as of any circumstances which may have an impact on the fulfilment of the duties under the present agreement.
52. The Contractor shall conduct regular consultations with the Principal's contact person in connection with the progress and part results of the research work at the times and in the manner previously agreed by the Parties.
53. The Principal shall coordinate the activities of the Parties under the present research agreement by way of its appointed contact person in the interest of the fulfilment of the tasks and the maintenance of cooperation.
54. Contact persons:

For the Principal:	For the Contractor:
Name: Andrea Krisztina Szebeni-Béres Tel: +36-1-795-4605 Fax: +36 (1) 795-0500 E-mail: krisztina.beres@kim.gov.hu	Name: Patrick Egan Tel: 00-36-20-243-1963 E-mail: next@fwdaffairs.com

55. The Parties shall notify one another of any changes in the contact persons without delay, in writing.

IX. Confidentiality

56. Within the framework of the fulfilment of the research agreement, the Parties shall have criminal liability in respect of all classified data which may come to their attention before and after the entry into force of the research agreement. Neither party shall be entitled to disclose or publish any other confidential information, not including information relating to the essence of the research agreement, specifically, information relating to the persons of the parties, the subject of the agreement and the rate of the consideration, as well as any provisions the disclosure to the public of which is prescribed by law.
57. The Parties hereby agree that all information, facts, data, plans, deeds, documents and procedures which are related to the present research agreement and the performance hereof or may have come to their attention or into their possession, especially with respect to their operations or organisation or are otherwise disclosed but not in the public domain (hereinafter referred to as "data") shall qualify as business secrets, the disclosure of which to the public would violate the Parties' official, business or other interests.

58. Both parties shall continue to be bound by the obligation of confidentiality relating to classified data for the entire duration of classification also in the event of the expiry or cessation for any reason of the present research agreement; in respect of other secrets and confidential information generated in connection with or in the course of the fulfilment of the present agreement, respectively; the provisions of the effective legal rules shall be applicable.
59. The Parties shall make every reasonable effort to inform their employees or other collaborators of the above obligations and to ensure compliance with the provisions above. In addition to its other liability, any disadvantages arising from the unauthorised disclosure of data to the public and the costs necessary for the avoidance thereof shall lie with the party who is responsible for the unauthorised disclosure to the public.

X. Cessation and amendment of research agreement

60. The research agreement may be amended at any time at the initiative of either party, by mutual agreement. Any amendment is only valid in writing.
61. The research agreement is entered into for a fixed term and shall cease upon the expiry of the fixed term hereof or upon the contractual fulfilment hereof by the Parties or if the research agreement is terminated by either party in writing. The notice period for both Parties is 30 days from receipt of the termination notice.
62. The Parties may at any time terminate the research agreement by mutual agreement. An agreement thereon shall only be valid in writing and if signed by both Parties.
63. The research agreement may be terminated by either party with immediate effect by way of a written notice served upon the other party if the other party grossly violates a material obligation undertaken in the research agreement and fails to remedy such breach within 8 days of the written notice to that effect. A written notice demanding the fulfilment of the obligation need not be sent if the breach is of such gravity that the injured party may no longer be expected to maintain the agreement.

XI. Closing provisions

64. By signing the research agreement, the Contractor hereby accepts
- a) the provisions set forth in Section 5(5) of *Act LXVI of 2011 on the State Audit Office* and in Section 3 of Government Decree No. 355/2011. (XII. 30.) *on the Government Control Office*, that is, the monitoring powers of the State Audit Office and the Government Control Office, and
 - b) the provisions set forth in Section 32 of and Clause III/4 of Appendix No. 1 to *Act CXII of 2011 on the Right to Information Autonomy and the Freedom of Information*, on the basis of which the Principal may not refuse the disclosure of information on and/or the publication of the material provisions of the research agreement even with reference to business secrets.
65. The Parties hereby agree to attempt to settle any disputes that may arise in connection with the present research agreement by way of amicable negotiations. The Parties hereby expressly agree that the present research agreement shall be governed by the laws of Hungary which shall extend to every element of the legal relationship regulated herein. The Parties further expressly agree to stipulate Hungarian jurisdiction for the settlement of any legal disputes related to the present research agreement.
66. In matters not regulated in the research agreement, in particular, the provisions of *Act IV of 1959 on the Civil Code*, *Act LXXVI of 1999 on Copyright* and *Act CXCV of 2011 on State Finances* shall be applicable.
67. The present research agreement was drafted in six original Hungarian and six original English copies, of which three signed Hungarian and three signed English copies shall be due to the Principal and three

signed Hungarian and three signed English copies shall be due to the Contractor. In the event of any dispute, the text of the agreement drafted in Hungarian shall prevail.

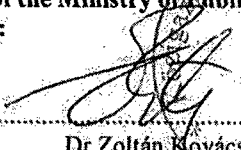
68. The signatories proceeding on behalf of the Parties hereby declare that they are entitled to represent the Parties and to enter into and sign the present agreement. The signatories hereby further declare that they have the authorisations necessary for the conclusion of the present research agreement and no third parties have rights of any kind which would prevent or restrict the Parties from or in the conclusion of the present research agreement and the complete fulfilment of the obligations set forth herein.
69. The Parties hereby establish that the present research agreement represents the written form of the actual legal situation that has existed between them since 15 March 2012.

After due perusal and comprehension of the provisions hereof, the Parties approvingly signed the present research agreement at the place and on the date written herein below as being in full conformity with their intent.

Appendix: Appendix No. 1: Research Plan

Budapest, 2012 APR 18, 2012

On behalf of the Ministry of Public Administration
and Justice:


Dr Zoltán Kovács
Minister of State for Government Communication
For the Principal

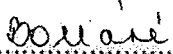
2012 APR 20, 2012

On behalf of Rasky Baerlein Strategic
Communications:



Larry Rasky
For the Contractor

Financial countersigning:

Budapest, 18.04.2012


Hajnalka Sütő Bolláné
Head of Department
MPAJ Finance and Accounting Department

Legal countersigning:


Dr Csaba Kalmár
Head of Department
MPAJ Legal Services Department

RESEARCH PLAN

I. PURPOSE OF RESEARCH

The overall objective of the Contractor's research and development programme is

- to develop the means available for the mediation of a comprehensive Hungary image through the exploration of further opportunities and strategic innovation in the area of the dissemination of information and media communication on the culture, civil diplomacy, economy and politics of Hungary.
- to promote the mapping of the true or false opinions, cultural and historical clichés related to Hungary and to find further, new solutions to influencing these with the tools of cultural and political communication.
- to promote the utilisation of the advantages, resources, contacts and positions offered by diplomatic and cultural representations (embassies), to ensure ongoing Hungarian cultural presence abroad and to effectively develop the related PR and public affairs activities and country brand management.
- to significantly improve the existing relationships through the development of friendships and a "friendship lobby" in the neighbouring countries. To achieve the further involvement of public figures and intellectual circles in the recipient country who have friendly feelings towards Hungary and undertake the representation before the public of our common, shared fate and the ideal of living together in tolerance in terms of cultural diplomacy, current politics and economic policy.
- to make the exploration of opportunities for further professional improvement more effective and to enable the broader interpretation of the concept of culture (e.g. creative economy) to open up new opportunities on the international scene.
- to permit active involvement in the broadening of the international communication of Hungarian cultural and topical political information. The programme should aim to make the various governmental, political and cultural messages accessible to the recipient country's target audience (promoting sub-titles and translations, widening the availability of appropriate PR and press materials on culture policy and sector-specific issues) and should explore and develop the necessary alternative channels.

II. RESULT OF RESEARCH

Exploration of opportunities for the uniform and positive public perception and presentation of Hungary abroad and complex development of the objectives and methods in Hungary's cultural policy and sector-specific policies, the application of which may result in active cooperation in the broadening of the Hungarian Government's international communication of diplomatic, cultural and topical political information.

III. TARGET AUDIENCE OF RESEARCH

The Contractor will engage in professional cooperation and will foster its relationships with the ministries and background institutions of the various target countries, professional groups relevant to the subject of the research, representatives of arts academies, universities, vocational schools and non-governmental

organisations which are nonetheless active and influential in a political sense (think-tanks, economic research institutes), by mutually promoting a cultural dialogue and better understanding.

These groups also include active opinion-makers in the Hungarian diaspora living in the diplomatically relevant countries and individuals who are in contact with Hungary in a political, historical, cultural or any other sense (public actors of Hungarian descent, artists, honorary consuls, etc.) and have significant influence primarily in the areas of cultural representation and promotion.

IV. SCHEDULE OF RESEARCH

The Contractor will compile the preparatory phases of "strategic project management" as necessary for the provision of its services. The Contractor will prepare a structured action plan and schedule in relation to which it will assign the relevant environmental and country-specific political and social effects prior to and determining implementation.

In the project phases of the services indicated below, the Contractor will implement the following processes necessary to launch its research activities and will prepare and submit the following documents to the Principal, as defined in the agreement:

Phase 1: from 15 March 2012 to 31 March 2012:

I. Definition:

1. Work statement (identification of original conditions and objectives as a project, identification of a framework for the management of expectations and changes).
2. Matrix of individuals responsible for activities (identification of future main activities of project and key stakeholder groups in the area of political PR).
3. Scheduling (division of the specific communication work processes into measurable units that may be duly documented).

II. Planning:

1. Risk management plan – preparation of a SWOT analysis (risk profiles, risk log), exploration of characteristics of communication (strengths and weaknesses) as the phenomenon under investigation.
2. Preparation of a Gantt diagram which identifies the part responsibilities in the process of implementation and the chronological order of tasks based on the time requirement of the individual communication processes.
3. Preparation of a PERT report: programme evaluation and pro rata flow chart.

Phase 2: from 1 April 2012 to 30 June 2012:

III. Implementation /A

Progress reports: submission of success reports by way of the preparation of an interim study which also contains schedule updates and the documentation of change logging if necessary.

Phase 3: from 1 July 2012 to 30 September 2012:

IV. Implementation /B

Progress reports: submission of success reports by way of the preparation of an interim study which also contains schedule updates and the documentation of change logging if necessary.

Phase 4: from 1 October 2012 to 31 December 2012:

V. Finalisation: analysis of implementation of project, drafting of summary interpretation and summary study.

V. RESEARCH METHODS

The research will be implemented through the employment of the following quantitative methods:

- 1) systematic data gathering (political communication processes, market research performed for the detection and assessment of any changes experienced in the target group)
- 2) content analysis (a document analysing the data gathered in the target group and summarising the proposed solutions in relation to the expectations identified)
- 3) structured interview (a fixed, target-oriented draft interview which contains measurable alternative answers intended to be measured).

The research will be implemented through the employment of the following qualitative methods:

- 4) focus group analysis (a structured, multi-player attitude analysis with a target group, designed to summarise non-representative and non-statistical data)
- 5) in-depth interviews (target group analysis free from any group influence to define the views of target persons and opinion-makers relevant to communication).

VI. METHODOLOGY OF TARGET GROUP ANALYSIS

Phase 1: assessment of public opinion in Hungary and the United States / English-speaking countries in America

This phase is designed to lay the foundations for the subsequent strategy and to explore the specific cultural features of the two countries. This is implemented with the assistance of Rasky Baerlein, a leading consulting firm specialising in the identification of opinion-makers.

The research and the in-depth interviews will be conducted mainly online: the US target audience is one of the most active web users in the world who frequently use the various social websites (Facebook, Twitter). Amongst Hungarians online media are also more popular than traditional media. The Internet is gaining significance for political and economic leaders as well as in the media.

Phase 1 will focus on the following topics:

- What opinions are held with respect to Hungary? Do these opinions vary from community to community?
- Information flow amongst Internet users.
- Evaluation of current trends.
- Topics that drive supportive and counter-interested groups.
- Activities of US citizens or Hungarians living in America, the topics they are interested in.
- Identification of main opinion-makers in connection with Hungary.
- The research will also be supplemented with in-depth interviews.

Phase 2: analysis of results obtained, identification of strategy

In the course of the research, the Contractor will identify the main opinion-makers (politicians, economists, intellectuals, brain trusts, media), will prepare qualitative and quantitative analyses of the topical problems and will identify positive messages, challenges, main trends and risks. Based on this, upon the

determination of the strategy to be pursued, the Contractor will select the areas of intervention and messages, identify the targets and develop the relevant messages.

Methods employed: lobbying (organisation of meetings); fostering of media relations (publication of writings, organisation of press events); finding third-party endorsers; organisation of events with brain trusts specialising in European affairs, networking (political, economic, cultural) and active online mobilisation (publication, social media).

Phase 3: implementation of strategy

The implementation of the strategy will be accompanied by daily media observation and regular interviews. The objective is to establish a positive discourse in connection with Hungary in political, economic and social circles.

THE STUDY

The study is a document analysing the results and conclusions of the research as well as the knowledge and correlations uncovered (in the case of part studies, retroactive to the completion period, while in the case of the closing study [Summary Study], summarising the activities and professional results of the entire contractual period) which extends to the verification of the correctness of the research method opted for, the outlook of the research and the open issues of the research.

QUALITY EXPECTATIONS

Quality expectations regarding all studies: clear, understandable and accurate style; logical consistency and presentation of research results tailored to the Principal's needs in English.

Academic expectations regarding the Study: validity, reliability, objectivity; a high degree of practical applicability of the conclusions reached and a precise list of references.

Formal requirements regarding part studies: minimum 15 and maximum 20 pages in length, a document prepared with a view to the general editing criteria (font, paragraph) converted into PDF file format.

Formal requirements regarding the Summary Study: minimum 50 and maximum 80 pages in length, a document prepared with a view to the general editing criteria (font, paragraph) converted into PDF file format.

FEES

Based on the following schedule, payable quarterly after completion:

- 1./ For services rendered until 31 March 2012: USD 45,000
- 2./ For services rendered from 1 April 2012 until 30 June 2012: USD 135,000
- 3./ For services rendered from 1 July 2012 until 30 September 2012: USD 135,000
- 4./ For services rendered from 1 October 2012 until 31 December 2012: USD 135,000,

USD 450,000 in total.